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NEW SOUTH WALES

DIGEST OF CURRENT STATISTICS

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DECIMAL CURRENCY Values are shown in \$ Australian

ROUNDING: Any discrepancies between totals and sums of component items in tables are due to rounding.



GENERAL - New South Wales

Apart from the seasonal slackening in the economy at the end of the year 1965, there were increasing signs of slower growth or gradual retreat from the full employment peaks reached in the first half of the year.

A major dampening factor has been the drought in New South Wales (and elsewhere in Eastern Australia) which has cut the wheat crop by three quarters and led to heavy stock losses with resulting falls in wool, meat and milk production. Partly due to lower farm income, activity in other sectors has also slowed down. Employment which had been pushed to the limits of available resources early in the year and had remained steady thereafter, showed a fairly heavy seasonal downturn in January, 1966. Production of some major factory items, and new dwelling and commercial building construction, have declined below the 1964-65 peaks, and transport statistics reflect corresponding trends (motor vehicle registrations and public transport usage), as do the banking and consumer credit series.

The table below gives a summary of Australian trends based on the quarterly and annual estimates of national income and expenditure. Comparing the September and December quarters of 1966 with 1965, major features were the decline in farm income and the reduced rate of growth in company and wages incomes in the current year. On the expenditure side there were notable reductions in personal spending on cars and some other household durables and a relatively small rise in other personal consumption and private building investment. However, expenditure by public authorities continued to expand, in particular for defence, development, health and education. An indication of the increased importance of the public sector is the rising proportion of (current and fixed) "expenditure of public authorities" and (fixed) "expenditure of public enterprises" in Gross National expenditure; for the July-December period, the proportion rose from 17% in 1963 and 1964 to 19% in 1965. Australian export income has begun to recover from the 1964-65 fall and the rise in imports was moderating towards the end of 1965.

NATIONAL INCOME & EXPENDITURE - Australia

	1 9 6 4		1 9 6 5		Y e a r		Q u a r t e r s o f 1 9 6 5			
	Sept.	Dec.	Sept.	Dec.	1963-64	1964-65	March	June	Sept.	Dec.
	Quarterly		Totals		Percent. Rise (Fall -) on Corresponding					
	\$ Million				Year or Quarter of the Previous Year					
s, Salaries, etc.	2369	2562	2610	2770	+ 9.1	+11.7	+12.3	+11.7	+10.2	+ 8.1
s Operating Surplus *	1912	2300	1904	2289	+13.7	+ 5.1	+ 8.7	+ 4.3	- 0.4	- 0.5
irect Taxes (net)	476	516	525	565	+ 6.5	+12.6	+16.7	+10.7	+10.3	+ 9.5
<u>SS NATIONAL PRODUCT</u>	4757	5378	5039	5624	+10.6	+ 9.1	+10.7	+ 8.7	+ 5.9	+ 4.6
p o r t s	823	842	979	916	+ 9.6	+21.2	+22.3	+15.3	+19.0	+ 8.8
=====										
<u>Current Expenditure:</u>										
sonal: New Cars	179	182	172	151	+12.3	+ 5.9	+12.5	+ 9.4	- 3.9	-17.0
Other Cons'n	2667	2954	2847	3128	+ 4.9	+ 7.7	+ 7.5	+ 7.1	+ 6.7	+ 5.9
lic Authorities	457	525	573	618	+ 9.8	+14.6	+17.4	+ 9.2	+25.4	+17.7
<u>s Fixed Capital Exp.:</u>										
ivate: Dwellings	215	215	227	218	+16.5	+17.6	+16.3	+15.1	+ 5.6	+ 1.4
Other Building	144	160	188	205	+ 9.6	+ 7.5	+ 5.5	+18.3	+30.6	+28.1
All Other	404	466	480	528	+ 9.7	+18.7	+16.1	+19.8	+18.8	+13.3
lic Auth. & Enterprises	374	444	426	493	+ 9.8	+13.8	+20.7	+ 4.1	+13.9	+11.0
r Items	440	495	361	422						
<u>S NATIONAL EXPENDITURE</u>	4880	5441	5274	5763	+ 8.0	+13.3	+16.7	+12.2	+ 8.1	+ 5.9
p o r t s	700	779	744	777	+27.2	- 3.5	- 6.9	- 2.3	+ 6.3	- 0.3
=====										
<u>ONAL TURNOVER</u>	5580	6220	6018	6540	+10.5	+10.8	+12.9	+ 9.9	+ 7.8	+ 5.1
=====										
incorporated Farm Income	302	589	203	486	+28.8	-10.0	+ 9.2	-71.2	-32.8	-17.5

PART I - EMPLOYMENT & NON-RURAL INDUSTRIES

EMPLOYMENT (See also graph p.18)

The employment position towards the end of 1965 was less buoyant than earlier in the year. The number of wage and salary earners in civilian employment (excluding employees in rural industry, and private domestic service) fell slightly by 400 during December, 1965 to 1,411,800, and at this level it was 3.1 percent. more than a year earlier.

Among the industry groups listed below, employment in Manufacturing, Building and Construction and Retail trade fell in December by 2,800, 500 and 800 respectively, while the others showed slight increases. During 1965, as in the preceding years, the growth rate was faster for female than for male employment, and was particularly strong in the service industries where the majority of employees are females.

Employment in the other states continues to rise faster than in New South Wales, and the Australian total increased by 3.3 percent. to 3.6 million between December, 1964 and 1965.

WAGE AND SALARY EARNERS IN CIVILIAN EMPLOYMENT (Excl. Rural Workers & Private Domestics)

	November 1964	December 1964	November 1965	December 1965	% Rise, Year ended Dec.		
					1963	1964	1965
South Wales							
Manufacturing	486,800	486,500	495,700	492,900	2.3	4.8	1.3
Building & Construction	112,400	111,400	117,300	116,800	4.7	2.9	4.8
Transport & Communication	121,300	122,500	125,300	126,600	2.6	4.3	3.3
Retail Trade	154,000	154,400	157,700	156,900	5.2	1.0	1.6
Wholesale Trade & Finance	146,200	147,300	150,700	151,900	2.9	4.8	3.1
Community & Business Services	235,100	235,800	249,100	249,800	5.5	5.2	5.9
Other Industries	111,000	111,400	116,100	116,800	2.3	3.3	5.2
Total : Males	960,400	964,200	985,300	987,300	3.1	3.5	2.6
Females	406,400	405,100	426,700	424,500	4.1	5.5	4.8
South Wales: Persons	1,366,800	1,369,300	1,412,000	1,411,800	3.4	4.1	3.1
Other States : Persons	2,155,000	2,163,800	2,235,000	2,237,700	4.3	4.5	3.4
Australia	3,521,800	3,533,100	3,647,000	3,649,500	4.0	4.3	3.3

A monthly survey of large privately owned factories (by the Department of Labour and National Service and the Commonwealth Statistician) indicates that their employment reached a peak of 268,900 in March, 1965 then declined to 265,500 in December, and further to 265,100 in January, 1966. This total was only 200 or 0.8 percent. more than in January, 1965 as against a rise of 4per cent. in the previous year. The only major increases in 1965 occurred in the food group (plus 1,100) which had been unusually low at the beginning of the year; and in chemical factories (plus 300), while the other groups show only minor rises or falls. The proportion of factories retrenching staff or not replacing wastage, at 24% in January, 1966, was higher than usual (24% in January, 1965 and 1964) and the proportion increasing staff in that month relatively low (23% in 1966 as against 28% in 1965 and 30% in 1964); the remainder of 49% reported no staff changes.

EMPLOYMENT IN LARGER PRIVATE FACTORIES - New South Wales

	Build'g Mat'ls	Basic Metals	Transport Equipment	Other Metal	Chem- icals	Clothing Textiles	Food	Others	Total		
									Males	Females	Persons
Jan.	19,200	47,600	23,100	59,300	14,500	31,900	26,100	31,900	192,400	61,100	253,500
Dec.	19,500	49,100	24,300	64,500	14,900	33,500	27,000	33,500	199,100	67,200	266,300
Jan.	19,600	49,700	24,300	64,000	15,000	33,100	25,700	33,400	199,200	65,700	264,900
Mar.	19,800	49,600	24,800	65,200	15,100	33,400	27,400	33,700	200,800	68,100	268,900
Dec.	19,700	49,700	23,800	63,800	15,200	33,000	27,000	33,300	199,300	66,200	265,500
Jan.	19,600	49,800	23,900	63,700	15,300	32,900	26,800	33,100	199,300	65,800	265,100

The number of unplaced applicants registered with the Commonwealth Employment Service in New South Wales continued to increase seasonally during January, 1966, by 3,500 to 26,600 which is 6,100 more than at this time of 1965 but remains substantially less than for other recent years. The seasonal use for January is mainly a result of the annual shutdown in many industries, the registration of school leavers (at a record number this year) and the fact that more married women seek employment as the school holidays draw to a close.

At the same time, the number of unfilled vacancies continued to fall during January (by 2,100 to 19,600, and they were then 1,300 less than in January, 1965. The net result was that applicants exceeded vacancies by 7,000 in January, 1966 compared with an unusual excess of vacancies in 1965 (of 400); however there had been much larger surpluses of applicants for January of other recent years.

The number of recipients of unemployment benefit at the end of January remained at the December level of 6,600 which was 1,300 more than in 1965 but again less than in previous years.

REGISTRATIONS WITH COMMONWEALTH EMPLOYMENT SERVICE - New South Wales

		1962	1 9 6 3		1 9 6 4		1 9 6 5		1966
		Jan.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.
UNPLACED APPLICANTS:									
Juniors (under 21)	Male	9,100	8,900	7,800	7,400	4,200	4,200	6,000	6,400
	Female	9,200	9,100	8,800	9,000	5,300	5,900	6,400	6,600
	Total	18,300	18,000	16,600	16,400	9,500	10,100	12,400	13,000
Adult (21 & over)	Male	21,800	18,200	9,500	10,400	5,100	6,900	7,900	10,000
	Female	7,000	6,200	3,800	5,000	2,400	3,500	2,700	3,600
	Total	28,800	24,400	13,300	15,400	7,500	10,400	10,700	13,600
Metrop. Area	Persons	27,300	20,900	12,800	14,800	7,000	9,500	10,300	13,200
Rest of State	Persons	19,800	21,500	17,100	17,000	10,000	11,000	12,800	13,400
All Applicants	Males	30,900	27,100	17,300	17,800	9,300	11,100	14,000	16,300
	Females	16,200	15,300	12,600	14,000	7,700	9,400	9,100	10,300
	Persons	47,100	42,400	29,900	31,800	17,000	20,500	23,100	26,600
UNFILLED VACANCIES:									
	Male	5,000	6,500	9,900	9,500	15,200	14,800	15,200	12,800
	Female	3,900	4,800	4,500	5,100	5,500	6,100	6,400	6,900
	Persons	8,900	11,300	14,400	14,600	20,700	20,900	21,700	19,600
ON UNEMPLOYMENT BENEFIT:									
	Males	14,800	11,900	6,900	6,400	2,800	2,700	4,100	4,000
	Females	5,100	5,300	4,300	4,300	2,600	2,700	2,500	2,600
	Persons	19,900	17,300	11,200	10,700	5,400	5,300	6,600	6,600

The number of unplaced applicants registered in Australia rose seasonally from 36,400 in October, 1965 to 78,300 in January, 1966 which again was more than at this time of 1965 (63,000) but less than for other recent years. Of the total rise during January (of 10,700), 3,500 were in New South Wales, 26,00 in Victoria and 2,400 in Queensland. The ratio of unplaced applicants to the work force (as estimated by the Department of Labour and National Service) in January, 1966 was 3% in Queensland and between 1% and 2% in the other States. Job vacancies registered fell by 1,500 during January to 58,900 and the number of recipients of Unemployment Benefit fell by 1,000 to 19,500.

UNPLACED APPLICANTS - Commonwealth Employment Service - Australia

	1962-63		1963-64		1964-65		1965-66	
	October	January	October	January	October	January	October	January
O T A L	72,600	111,800	51,700	85,800	37,500	63,000	36,400	78,300
ge: Under 21	18,500	45,800	15,500	44,900	11,300	30,900	11,400	37,000
21 & over	54,100	66,000	36,200	40,900	26,200	32,100	25,000	41,300
ex: Males	46,000	72,500	28,300	49,700	20,500	32,200	19,600	48,600
Females	26,600	39,300	23,400	36,100	17,000	30,800	16,800	29,700
tate: N.S.W.	29,500	42,400	20,100	31,800	13,300	20,500	14,100	26,600
Victoria	17,500	22,100	11,300	17,800	6,900	13,400	8,300	18,200
Queensland	12,900	26,600	8,000	17,600	5,500	14,300	6,600	19,000
South Aust.	5,000	7,400	4,600	6,400	5,700	5,500	3,600	7,600
West Aust.	4,400	8,200	4,700	7,500	3,500	6,100	2,100	4,200
Tasmania	3,300	5,100	3,000	4,700	2,600	3,200	1,700	2,800

VERSEA MIGRATION - Australia

Total net migration of people into Australia increased steadily from relatively low levels during the recession years 1961 and 1962 (61,500 and 62,500 respectively) to 71,600 in 1963 and then by 39 per cent. to 99,300 in 1964 and by a further 52 per cent. to 104,900 in 1965 (525,200 arrivals less 420,300 departures).

Arrivals of "settlers" rose appreciably, from 108,150 in 1963 and 134,500 in 1964 to 147,500 in 1965, and this gain was only slightly reduced by a rise in permanent departures (settlers and other Australian residents) from 15,400 to 16,300 and 20,900 in that period.

In long-term movements in and out of Australia (related to movement or intended movement of one year or more) the return flow of former Australian residents has not kept pace with the rising number of departures (38,300 in 1963, 41,000 in 1964 and 46,300 in 1965) and the net outflow in this category rose from 16,100 to 17,300 and 20,000.

There has also been a marked increase in visitors movements, with rises in long-term arrivals from 13,800 and 15,000 to 17,500 and in short-term arrivals from 25,400 to 147,900 and 173,300 with corresponding rises in departures.

O V E R S E A M I G R A T I O N - A u s t r a l i a

		PERMANENT		LONG-TERM		TOTAL	SHORT-TERM			TOTAL MOVEMENTS
		Settler	Other Resid.	Aust. Resid.	Visitor	Permanent, Long-Term	Aust. Resid.	Visitor	Total	
ARRIVALS	1962	90,500		20,600	13,900	125,000	95,900	111,400	207,300	332,300
	1963	108,150		22,200	13,800	144,200	111,200	125,400	236,600	380,700
	1964	134,500		23,600	15,000	173,100	131,400	147,900	279,200	452,400
	1965	147,500		26,300	17,500	191,300	160,500	173,300	333,900	525,200
DEPARTURES	1962	8,500	6,900	31,800	13,100	60,300	95,900	113,600	209,500	269,800
	1963	9,100	7,200	38,300	12,700	67,300	112,400	129,700	241,800	309,100
	1964	7,800	7,300	41,000	13,100	69,100	133,200	150,600	283,900	353,000
	1965	14,800	6,100	46,300	12,400	79,600	161,700	179,000	340,700	420,300
NET MIGRATION	1960	104,500	-5,300	- 8,800	2,400	92,800	- 2,600	...	- 2,600	90,200
	1962	82,000	-6,900	-11,200	800	64,700	...	- 2,200	- 2,200	62,500
	1963	99,000	-7,200	-16,100	1,100	76,800	- 1,200	- 4,000	- 5,200	71,600
	1964	126,600	-7,300	-17,300	1,900	104,000	- 1,900	- 2,800	- 4,700	99,300
	1965	132,700	-6,100	-20,000	5,100	111,600	- 1,150	- 5,600	- 6,800	104,900

NEW BUILDING APPROVALS - New South Wales (See also graph p.19)

Since the first quarter of 1965, the number of dwellings approved in the State has been less than for comparable periods of the previous year; furthermore, the rate of decline has accelerated from 12 per cent. and 21 per cent. in the September and December quarters to 25 per cent. for the month of January, 1966.

Comparing the seven months ended January, 1965 and 1966, the number of dwellings approved fell by 17 per cent. and their value by 8 per cent. A similar decline occurred in commercial and factory building, and the total value of building approvals dropped by 7 per cent. over the period.

NEW BUILDING APPROVED - New South Wales		1961-62	1962-63	1963-64	1964-65	1965-66
Number of Dwellings: September Quarter		8,600	9,400	10,700	13,000	11,400
December Quarter		7,900	7,900	10,300	11,500	9,100
Month of January		2,200	2,400	3,200	3,000	2,300
Houses, Seven Months ended January		15,500	15,700	17,300	17,000	15,300
Flats, " " " "		3,200	4,000	7,000	10,500	7,500
Dwellings, " " " "		18,700	19,700	24,200	27,600	22,800
VALUE (\$ mill.) Seven Months ended January						
Dwellings		136.3	145.9	177.0	209.0	191.8
Shops, Offices, Banks		62.3	60.6	47.7	53.1	35.7
Factories		23.3	27.8	20.7	33.9	28.0
Educational		15.7	17.2	30.2	25.9	32.6
Other Building		37.8	49.8	41.8	47.7	54.5
Total Value		275.4	301.3	317.5	369.7	342.6

The production of most principal factory products for the seven months ended January, 1966 was lower than for the corresponding period of the previous year.

There were large falls in electrical goods and motor bodies, while the production of all other consumer durables fell slightly. Other falls were recorded in yarn, fabric, cement and gas production.

Some minor rises were recorded in electricity, ingot steel, bricks and beer production but at much slower rates of growth than in recent comparable periods.

FACTORY PRODUCTION - NEW SOUTH WALES

	Value $\frac{\text{£}}{\text{1963-64}}$ \$ mill.	QUANTITY Unit	Q U A N T I T Y				PERCENT. RISE OVER YEAR			
			Seven Months Ended				Seven Months Ended			
			July 1964	Jan. 1965	July 1965	Jan. 1966	July 1964	Jan. 1965	July 1965	Jan. 1966
Electricity	125.6	M.K.Wh.	8533	8620	9131	8936	17.0	11.2	7.0	3.7
	21.2	m.therm.	70.6	74.5	75.1	74.2	-0.1	1.8	6.4	-0.4
Ingot Steel	412.1	000 ton	2827	3034	2829	3102	11.3	7.7	0.1	2.2
Cement	19.7	000 ton	715	752	766	745	18.8	7.6	7.2	-0.9
Bricks	19.8	million	299	315	325	325	17.5	13.2	8.8	3.4
Beer	32.0	000 gall	4631	5096	4864	5100	10.7	5.1	5.0	0.1
Refrigerators (Dom.)	21.5	000	49.9	68.2	55.5	63.4	8.7	-1.8	11.2	-7.1
Washing Machines "	16.1	000	68.4	83.7	84.5	80.6	18.2	30.0	23.6	-3.7
Radio Receivers	12.0	000	136.6	185	128	155	-15.6	-2.7	-6.4	-16.5
Television Receivers	31.9	000	113.6	116	109	100	10.2	20.2	-3.8	-14.2
Water Systems	4.7	000	45.8	53.2	54.6	52.6	19.1	21.0	19.3	-1.1
Electric Stoves	8.1	000	38.3	45.6	42.3	44.0	16.1	26.4	8.9	-3.5
Electric Motors	n.a.	000	933	1082	1001	1007	23.0	22.8	7.3	-6.9
Car Bodies	n.a.	No.	78.8	69.8	71.5	59.6	3.1	-4.2	-9.3	-14.5
Batteries (wet cell)	11.7	000	736	632	686	572	0.1	0.4	-6.8	-9.4
Textiles - all types	n.a.	mill.lbs	25.7	25.3	24.3	24.0	25.1	15.1	-5.1	-5.0
Shed Fabrics	45.8	m.sq.yds	32.9	32.3	31.6	31.2	16.9	9.5	-3.7	-3.4
Yarn	46.3	000 tons	363	322	327	289	18.5	-6.1	-10.0	-10.1
Gas	39.6	mill.gall	61.4	69.3	64.0	70.2	6.7	7.8	5.6	1.3

£ Value at factory for year ended June, 1964

Comparing the three months ended January, 1966 with 1965, production trends for the items listed below moved in the same direction in the other States as in New South Wales. However, electricity generation in the other States increased more, and production of some consumer durables, such as washing machines, television sets and car bodies fell proportionally less there; brick and cement production was much better maintained in New South Wales and output of refrigerators and radio sets fell less sharply in that State.

FACTORY PRODUCTION - New South Wales & Australia

	Percent. change between Nov.-Jan. 1964-5 & 1965-66			N.S.W. as percent. Australia Three Months ended January	
	N.S.W.	Other States	Australia	1965	1966
Electricity	+2.4	+14.8	+9.6	42.1	39.3
Gas	0.0	-0.3	-0.2	43.8	43.9
Bricks	+17.9	-15.3	-1.8	40.6	48.8
Cement	+2.0	+0.9	+1.3	34.4	34.7
Refrigerators	-6.9	-33.1	-19.5	49.9	58.4
Washing Machines	-17.1	-14.2	-15.9	59.1	58.3
Radio Sets	-12.8	-24.0	-17.5	58.1	61.4
T.V. Sets	-24.6	-11.2	-19.9	65.2	61.4
Car Bodies	-18.4	-15.5	-16.4	31.1	30.4
Woven Cloth	-6.4	-4.3	-5.2	43.0	42.4
Beer	+0.6	+5.7	+3.6	40.3	39.1

PRODUCTION - New South Wales (see also graph p.19)

Coal production in New South Wales reached the record figure of 24 mill. tons in 1965. This is 3.4 mill. tons or 16½ per cent. more than the previous peak of 1964. A small portion (less than 1 mill.tons) of the rise in production and consumption in 1965 was due to a change in the date of the Christmas shutdown and to the extension of the statistical period to 53, instead of 52, weeks.

In an effort to improve the quality and competitive position of coal an increasing quantity of coal has been treated in washery plants in recent years. The proportion so treated at the mines has risen from 14% in 1956-57 to 48% in 1964-65, and including the series attached to the steelworks from 32% to 71%. This has meant some increase in refuse, such losses from mine washeries amounted to 1.8 mill. tons or 7½ per cent. of output in 1965.

Coal consumption in New South Wales rose from 14.7 mill. to 15.5 mill. tons in 1965 due to increased demand from the two main users - iron and steel works and electricity undertakings which together now account for about three quarters of usage within the State for 53% of all New South Wales coal sold in the year. The downward trend of earlier years in coal consumption by the railways, gasworks and ships continued in 1965.

The major expansion in coal markets in 1965 (as in 1964) was overseas (mainly Japan) which took 5½ mill. tons or one quarter of total coal sold. Following the trend of recent years, exports to other States showed a further small fall in 1965.

C O A L - ANNUAL PRODUCTION, DISPOSAL AND PRICE - New South Wales

TABLE FIGURES FROM ATTACHED TABLE	1951	1956	1963	1964	1965 ∅
	T h o u s a n d T o n s				
CONSUMPTION, N.S.W. Iron & Steel Refining	2,795	3,589	5,223	5,758	6,091
Electricity Generation	2,605	3,316	4,434	4,876	5,478
Railways	1,523	1,513	705	677	603
Town Gas	888	917	737	747	698
Other Uses, N.S.W.	2,897	2,714	2,559	2,665	2,634
Consumed in N.S.W.	10,708	12,049	13,658	14,723	15,503
EXPORTS: Interstate	2,160	2,061	1,169	1,149	1,011
Overseas	98	278	2,723	3,655	5,492
LOCKS: N.S.W. Increase (Fall -)	507	186	27	- 385	292
WASHERY: Refuse & Dump Losses	40	236	1,363	1,557	1,824
Coal Production in Year	13,513	14,810	18,940	20,699	24,122
	Per cent. Use, Excl. Stock Changes & Washery Loss				
N.S.W. Iron & Steel Refining	22	25	30	29	28
Electricity Undertakings	21	23	25	25	25
Railways	12	10	4	3	3
Other Users	28	26	19	18	14
Total in State	83	84	78	75	70
Exports: Interstate	16	14	7	6	5
Overseas	1	2	15	19	25
	100%	100%	100%	100%	100%
AVERAGE PRICE \$ per ton (f.o.r. collieries) ∅	4.74	5.92	5.24	5.16	5.09

∅ year of 53 weeks. ∅ As at June.

EMPLOYMENT in the State's coal mines declined steadily from a post war peak of 20,800 towards the end of 1952 to 11,300 in October 1964 but has since risen slowly to 11,900 in December 1965. Between 1951-52 and 1964-65 output per manshift worked has risen from 3.4 tons to 8.1 tons reflecting the widespread adoption of mechanical methods of winning coal. In 1964-65, 97 per cent. of coal mined underground was mined by mechanical methods and 97 per cent. was mechanically loaded.

The average price of N.S.W. coal (f.o.r. at colliery) as at June, has been reduced from \$6.45 per ton in 1952 to \$5.39 in 1961 and \$5.09 in 1965. At the latter date it was \$4.93 in northern areas, \$3.65 in the west and \$5.55 in southern areas.

Registrations of new motor vehicles in New South Wales were at high levels for the first three quarters of 1965, but for each of the four months to January, 1966 they have been well below the near record numbers during the comparable months of 1964-65 - by 16 per cent. for December and 15½ per cent. for January. Although registrations fell from 11,400 in December, 1965 to 9,100 in January, 1966, this drop is no more than is usual for this time of the year and at this level they were still 100 more than in January, 1964.

Australian vehicle registrations have followed a similar trend but the relative falls in the other States for each of the latter four months have been less severe (10 per cent. in December and in January) than in New South Wales. Registrations reached a peak of 39,900 in August, 1965 fell to 28,900 for October, partially recovered to 32,200 for December and then dropped to 25,300 in January, 1966. Although there is usually a fall in that month the figure was the lowest since January, 1962 (19,500) but well above most previous January levels.

Comparing the four months ended January 1965 and 1966, registrations in New South Wales fell by 15 per cent. to 42,000, the largest relative fall being for station waggons which were down 37 per cent. from last year's boom level. Registrations of new cars fell by 11 per cent. to 27,700 and of commercial vehicles by 4 per cent. to 7,900.

REGISTRATIONS OF NEW MOTOR VEHICLES
(Excluding motor cycles, tractors and trailers)

	New South Wales				Australia			
	1962	1963	1964	1965	1962	1963	1964	1965
Sept. Quarter	33,500	38,000	40,200	40,300	86,800	103,500	109,800	109,100
October	11,900	12,700	13,500	10,500	31,700	36,200	36,400	28,900
November	11,100	12,700	11,700	11,100	32,200	34,600	32,200	31,000
December	9,500	11,500	13,600	11,400	26,900	32,500	36,800	32,200
January *	9,500	9,000	10,700	9,100	25,700	26,400	28,600	25,300
months ended January *	42,000	45,900	49,400	42,000	116,500	129,700	134,000	117,400
cars	27,500	29,200	31,100	27,700	74,100	80,400	81,600	75,000
station Waggons	8,300	8,900	10,100	6,400	24,400	26,700	28,700	19,100
others	6,200	7,800	8,200	7,900	18,000	22,500	23,700	23,300

January of following year

NEW SOUTH WALES GOVERNMENT TRANSPORT SERVICES

Passenger and goods traffic on the State railways in terms of train miles run, in the six months ended December was 1.8 per cent. less in 1965 than in 1964. Passenger traffic on suburban trains has tended downward since 1961 and on country trains since 1963. Goods traffic reached a peak in the 1964 period, and although it fell in 1965 in terms of train miles it continued to rise in terms of net ton mileage and weight of goods carried, both of which were at record levels.

Comparing the six months ended December, 1964 and 1965 the gross earnings of the Railways dropped for the first time in several years (by 2.4 per cent. to \$102 million) while their working expenses continued to rise (by 1.3 per cent. to \$88 million) and so the surplus on working account fell from \$17.9 million to \$14.3 million.

NEW SOUTH WALES GOVERNMENT TRANSPORT SERVICES (continued)

NEW SOUTH WALES RAILWAYS - July to December			1962	1963	1964	1965
Passenger Train - Suburban	000 Train Miles Run		5,568	5,501	5,513	5,447
Country	"		5,134	5,228	5,222	5,170
Goods Train (incl. Mixed)	"		8,291	8,932	9,468	9,232
TOTAL TRAIN MILES RUN			18,993	19,661	20,203	19,848
NET TON MILEAGE, Goods & Livestock			1,809	2,084	2,269	2,337
G O O D S C A R R I E D			11.75	12.82	13.66	14.17
PASSENGER JOURNEYS			128.4	131.7	131.4	128.1
GROSS E A R N I N G S	\$ million		88.7	98.9	104.5	102.0
WORKING E X P E N S E S	\$ million		77.5	80.1	86.6	87.7
SURPLUS ON WORKING ACCOUNT	\$ million		11.2	18.8	17.9	14.3

The mileage travelled by Government Bus Services during the six months ended December dropped in 1965 for the first time since 1962. This contraction occurred in Sydney where the mileage for the period fell from 20.0 million in 1964 to 19.7 million in 1965 while for Newcastle it has remained constant at 2.7 million miles for several years. The combined gross earnings of the Sydney and Newcastle services for the six month period continued to decline in 1965 while their working expenses rose and the deficit on working account increased from \$1.05m. in 1964 to \$1.71m. in 1965 (\$1.48m. for Sydney and \$0.23m. for Newcastle).

GOVERNMENT BUS SERVICES - July to December			1962	1963	1964	1965
Gross Earnings, Sydney & Newcastle	\$000		12,494	12,495	12,442	12,137
Working Expenses	"		13,238	13,161	13,492	13,845
Deficit on Working Account: Sydney	"		656	558	904	1,476
Newcastle	"		88	108	146	232
TOTAL	"		744	666	1,050	1,708
B u s M i l e s: Sydney	Million		19.5	19.9	20.0	19.7
Newcastle	"		2.7	2.7	2.7	2.7
T O T A L			22.2	22.6	22.7	22.4

MINERAL PRODUCTION - New South Wales

Comparing 1964 and 1965, mine production in New South Wales increased considerably for tin (up by 67½ per cent. to 1124 tons), copper (up 46 per cent. to 5300 tons) and black coal (up 16 per cent. to a record 24 million tons). There were smaller increases for cadmium, zinc and sulphur and falls in the production of cobalt (down 22 per cent.), titanium (down 14 per cent.), gold, silver and lead.

The "London" spot price for copper increased rapidly from an average of £stg.351 per ton for 1964 to £stg.468 for 1965, and reached a record of £stg.660 at the end of January, 1966, reflecting a world wide excess of demand. For lead, the yearly average price increased less rapidly - from £stg.101 for 1964 to £stg.115 for 1965 and was below this level in the latter half of the year. There was a small fall in the price of zinc from £stg.118 for 1964 to £stg.113 for 1965 which, however, remained well above the level of previous years.

CONTENTS OF MINERAL PRODUCED, New South Wales							SPOT PRICE, London		
Year	Copper	Lead	Zinc	Tin	Silver	Gold	Average for year		
	Thousand	Tons	Tons		Thousand	Oz.	Copper	Lead	Zinc
							£stg. per ton		
1957	4.4	267	242	211	9969	31	220	97	82
1960	3.6	236	234	223	8398	14	246	72	89
1961	3.5	212	238	173	7448	12	230	64	78
1962	3.7	292	244	212	9,902	11	234	56	67
1963	3.9	328	266	250	11,425	11	234	63	77
1964	3.6	297	256	671	10,735	11	351	101	118
1965	5.3	291	270	1124	10,491	10	468	115	113

BANKING -- General, Australia

The seasonal increase of \$388m. to a total of \$10,846m. in the volume of money (defined as public holdings of cash and deposits with trading and saving banks) between September and December, 1965 was rather less than in recent years (\$432m. in 1964 or \$492m. in 1963), and the annual rate of increase slowed down from an average of about 12 per cent. in the year 1964 and 9 per cent. in the first half of 1965 to 5½ per cent. in the second half of that year.

The note and coin issue has been static in recent years and actually declined by 4.4 per cent. between December, 1964 and 1965, and during the latter period trading bank deposits on cheque accounts also fell, by 1.4 per cent. This decline in cheque balances becomes even more striking when coupled with the halt in the upward trend in their turnovers, as measured by debits to customers' accounts, which became evident in 1965. So the only growth in money supply during 1965 occurred in saving bank deposits (up by 7.4 per cent.) and fixed deposits with trading banks (up 16.8 per cent.) although here too the increases were less than in 1964. These two components, which are sometimes described as "near-monies", have increased their share in the total money supply from one half to two-thirds over the past five years. To some extent this change in the structure of the money supply seems to have been due to the attraction of higher interest rates and avoidance of bank charges through greater use of savings accounts (as suggested by rising turnovers of savings balances). But even so an increase in the active portion of the money supply (notes and cheque accounts) at an average rate of only 2% p.a. (which is similar to the general rate of price rises) during the past five years seems very moderate.

VOLUME OF MONEY - Australia (As stated in Reserve Bank Bulletin)

M O N T H	1962	1963	1964	1965	1962	1963	1964	1965
	A m o u n t i n \$ m i l l .				P e r c e n t . R i s e o n P r e v i o u s Y e a r			
M a r c h	7,914	8,542	9,542	10,488	6.9	7.9	11.7	9.9
J u n e	7,836	8,518	9,554	10,336	7.3	8.7	12.1	8.3
S e p t e m b e r	8,026	8,750	9,880	10,458	7.9	9.0	12.8	5.9
D e c e m b e r	8,366	9,242	10,312	10,846	7.9	10.5	10.3	5.2
D E T A I L S F O R D E C E M B E R								
Savings Bank Deposits	3,718	4,226	4,740	5,090	12.4	13.7	12.2	7.4
Trading Bank: Fixed ø	1,124	1,234	1,582	1,848	13.8	9.8	28.2	16.8
Other ø	2,672	2,934	3,124	3,080	1.2	9.8	6.5	-1.4
Notes & Coin Issued	852	848	866	828	1.7	...	2.1	-4.4

The rise in international reserves which had been a main stimulus in bank expansion during the 1960-1964 period was reversed in 1965 when reserves fell from \$1650m. to \$1278m. However, the effect of the unfavourable balance of payments was offset by a considerable rise in lending by the trading and savings banks, much of it in the form of term and housing loans, as well as by continuing expansion in Government credit, as shown by increased holdings of public securities by the Reserve Bank and savings banks.

MAJOR ASSETS OF THE AUSTRALIAN BANKING SYSTEM - As at December

	1 9 6 2	1 9 6 3	1 9 6 4	1 9 6 5	1962	1963	1964	1965
	\$ m i l l i o n				P e r c e n t . A n n u a l R i s e			
International Reserves	1172	1590	1650	1278	11.8	35.7	3.8	-22.5
Advances								
Trading Banks	2348	2474	2690	2996				
Savings Banks	802	982	1216	1418				
Other X	128 3278	140 3596	182 4088	282 4696	6.8	9.7	13.7	14.9
Government Securities								
Trading Banks /	774	988	1056	1018				
Savings Banks /	2596	2870	3168	3328				
Reserve Bank	1018 4388	774 4632	872 5096	1038 5384	6.8	5.6	10.0	5.7
Total of above	8838	9818	10834	11358	7.4	11.1	10.3	4.8

X Rural Credits Department of Reserve Bank and Commonwealth Development Bank.
/ Including loans to short-term money market but excluding Government deposits with trading banks.

Trading bank deposits continued to rise in January, 1966 reaching \$5,049 which is \$300m. (or 6 per cent.) more than in January, 1965, compared with an increase of 10 per cent. during the previous twelve months. The increase between January, 1965 and 1966 was almost wholly accounted for by the continuing upward trend in fixed deposits, (which rose by 18 per cent. to \$1980m) There was a shift of about \$40m. from non-interest to interest-bearing current accounts over the year but the total on current account remained the same.

Trading bank advances have remained fairly steady around \$2700m. since the middle of 1965, and a seasonal reduction in loans to wool buyers in January, 1966 was offset by a rise in other lending. The ratio of advances to deposits fo 53% in that month was rather higher than the 50% ratio of January, 1965 or 1964. However, the liquid assets (LGS) ratio remained the same for January, 1965 and 1966 at 27.4% because of a reduction in the proportion required as Statutory Reserve, which at 12.5% in January, 1966 was the lowest for two years.

MAJOR TRADING BANKS - Business within Australia

	1963	1 9 6 4		1 9 6 5				1966
	Jan.	Jan.	July	Jan.	March	July	Dec.	Jan.
	\$ million							
DEPOSITS: Fixed	1,202	1,327	1,517	1,680	1,744	1,809	1,940	1,980
Current: Interest Bearing	226	259	265	275	286	309	307	316
Other	2,474	2,716	2,607	2,795	2,870	2,533	2,731	2,753
Total Deposits	3,902	4,302	4,389	4,750	4,900	4,652	4,979	5,049
ADVANCES: Term Loans	26	85	124	158	164	178	189	191
Wool Buyers (temp.)	84	112	101	108	122	103	126	108
Other	1,980	1,946	2,142	2,100	2,111	2,394	2,345	2,367
Total Advances	2,089	2,143	2,367	2,361	2,398	2,675	2,661	2,666
Statutory Reserve Deposit	439	495	660	751	766	655	632	634
Government Securities	857	1,141	900	1,153	1,243	883	1,067	1,231
Cash Items	169	158	139	149	143	146	164	153
R a t i o t o C u s t o m e r s ' D e p o s i t s - P e r C e n t .								
Advances	53.5	49.8	53.9	49.7	48.9	57.5	53.4	52.8
Statutory Reserve Deposit	11.2	11.5	15.0	15.8	15.6	14.1	12.7	12.5
Cash and Securities (LGS)	26.3	30.2	23.7	27.4	28.3	22.1	24.7	27.4
Fixed Deposits as % of Total	30.8	30.9	34.5	35.4	35.6	38.9	39.0	39.2

A decline in overdraft limits for bank advances of \$35m. to \$3,957m. during January, 1966 was probably connected with the introduction of a fee for unused limits as from the beginning of the year. The total remained 3 per cent. higher than in January, 1965 and the proportion of limits used at 60 per cent. was near the level of recent months.

MAJOR TRADING BANKS: ADVANCES & LIMITS (Excl. Temporary Loans to Wool Buyers & Term Loans) \$m.

	1961	1964		1 9 6 5					1966
	Jan.	Jan.	Dec.	Jan.	Aug.	Oct.	Nov.	Dec.	Jan.
Overdraft Limits (Second Wed.)	3247	3730	3887	3853	3941	3974	3987	3992	3957
Advances Outstanding(Weekly Av.)	2051	1945	2107	2100	2405	2385	2371	2346	2367
Used Overdraft Limits"(Approx.Bal.)	1196	1795	1780	1753	1536	1589	1616	1646	1590
Per cent. of Limits Used (Approx.)	63%	52%	54%	54%	61%	60%	59%	59%	60%

Savings bank deposits at the end of 1965 reached record figures of \$1,672m. in New South Wales and \$5,066m. in Australia. For the State the increase between December, 1964 and 1965 was \$103m. or 6 per cent., as compared with increases of 13 and 11 per cent. in the two previous years, and for Australia there was a similar decline in the growth rate (7 per cent. in 1965, as against 12 and 14 per cent.). Comparing the New South Wales figures for 1964 and 1965, new deposits rose by 7 per cent. but withdrawals by 11 per cent. The upward trend of recent years in the turnover of deposits continued, with the ratio of withdrawals to average balances rising from 120% to 123% (78% in 1938-39). This indicates greater use of savings accounts for short term accumulations, including social service credits, and disbursements, where formerly cash or trading bank accounts were used. A savings deposit stays now on the average about 10 months with the banks, but this represents a wide range from short-term transactions to long-term accumulation of the traditional type of savings account.

The number of operative savings accounts in New South Wales increased in 1965 by 7 per cent. to 4.2m. at the end of the year and in Australia by 6 per cent. to 12m. which is slightly more than the total population. The average deposit per account in 1965 was \$422 in New South Wales and Australia. Deposits per head of population ranged from \$522 in Victoria and \$507 in South Australia to \$418 in New South Wales and less than \$400 in the other States, with an Australia average of \$444.

SAVINGS BANK DEPOSITS

	New South Wales				Australia		
	1962	1963	1964	1965	1963	1964	1965
DEPOSITS AT END OF YEAR - \$ million							
Commonwealth Savings Bank	899	977	1,053	1,099	1,948	2,120	2,228
State & Trustee Banks	-	-	-	-	1,126	1,235	1,312
Private Savings Banks	427	521	606	663	1,151	1,380	1,526
Total Savings Banks	1,327	1,498	1,659	1,762	4,225	4,734	5,066
TRANSACTIONS, ALL BANKS - \$ million							
Deposits Made	1,596	1,784	2,024	2,170	5,092	5,913	6,510
Interest Added	38	42	41	50	117	115	140
Total Credits	1,634	1,826	2,065	2,220	5,209	6,028	6,650
Withdrawals	1,496	1,655	1,904	2,118	4,689	5,519	6,319
Net Rise in Deposits	138	171	161	102	520	509	332
DEPOSITS AT END OF YEAR - \$							
Per Operative Account	388	410	425	422	400	419	422
Per Head of Population	334	368	399	418	386	421	444

Following the trend of recent years savings deposits with the private savings banks in 1965 rose more rapidly than those of the Commonwealth and State savings banks. At the end of 1965 the Commonwealth Savings Bank held 62.4% of the New South Wales total, as compared with 63.5% in 1964 and 65.2% in 1963. In Australia the proportions at the end of 1965 were as follows: Commonwealth Savings Bank 44%, State and Trustee Savings Banks 26%, and private savings banks 30%.

Savings bank advances for housing and their holdings of local and semi-government securities continued to rise at fairly strong rates in 1965 but because there were less additional funds available, holdings of government securities (about 40% of all assets) and most other assets rose more slowly than in previous years.

SAVINGS BANKS ASSETS WITHIN AUSTRALIA - \$ million

	Dec.1963	Dec.1964	Dec.1965	Per cent. Rise in Year			
				1962	1963	1964	1965
Advances for Housing	894	1,099	1,264	12.5	23.0	23.0	15.0
Public Securities: C'wlth.	1,926	2,104	2,131	8.6	8.9	9.2	1.3
Local & Semi.	908	1,035	1,159	20.2	14.5	13.8	12.0
All Other Assets	748	774	825	16.2	13.8	12.0	6.6
Total Assets	4,476	5,012	5,379	12.3	13.8	12.0	7.3

PRICES - Australia (see also graph p.19)

The upward trend in the Australian Consumer Price Index slowed in the March quarter of 1965 but then gained momentum for the last three quarters of the year. The Wholesale Price series rose to a peak in August, 1965 and then fell towards the end of the year. On the other hand the Export Price index, after falling during the first half of the year, resumed its upward movement in August, while the Import Price index advanced slowly.

PRICE INDEXES - Australia

QUARTER	CONSUMER	WHOLESALE	EXPORT	IMPORT	CONSUMER		WHOLESALE		EXPORT		IMPORT
					Quarter	Year	Quarter	Year	Quarter	Year	Year
	Base Year 1952 - 53 = 100				Percentage Change						
1962	124	106	76	109		+0.1		+1.9		+1.5	+0.9
1963	125	107	90	110		+0.5		+1.2		+3.6	...
1964	130	110	84	112		+4.0		+3.0		+18.9	1.1
March 1965	131	111	79	112	+0.7		+0.3		-5.0		
June 1965	132	113	78	113	+0.9		+1.8		-1.3		
September 1965	133.5	117	80	113	+1.1		+3.6		+1.9		+1.7
December 1965	135	114	83.5		+1.3	+4.0	-2.1	+3.6	+4.6	...	n.a.

The Consumer Price Index (weighted average of the six Capitals) was relatively stable during 1963 but since then it has advanced by an average of about 1 per cent. each quarter. During the December quarter, 1965 it rose by 1.3 per cent. (ranging from 1.1 per cent. for Sydney to 1.5 per cent. for Adelaide) - most of the increase being for the miscellaneous and housing groups.

Over the full year 1965, the combined index (six capital cities) rose by 4 per cent., with percentage increases for the components ranging from 5.6 for food and 4½ for housing and miscellaneous to 2.2 for household supplies and 1 per cent. for clothing and drapery. Comparing December quarters of 1965 and 1963, the combined index has risen by 8 per cent., with major increases in the series for food (12 per cent.), miscellaneous (which includes fares, smokes, beer, motoring and services (10 per cent.) and housing (8 per cent.) while the series for clothing and household supplies rose by only 2½ per cent.

CONSUMER PRICE INDEX - Six Capital Cities - Base Year 1952-53 = 100

Quarter	Food	Clothing & Drapery	Housing	Household Supplies	Miscellaneous	All Groups
Index Weight 1960	32.1	16.9	12.6	14.5	23.9	100
1961 - June	129.4	112.4	148.0	111.9	127.7	125.0
1962 - June	123.7	112.9	152.6	112.8	128.2	124.0
1963 - December	124.5	113.7	159.0	110.8	129.5	125.0
1964 - December	132.1	115.4	164.4	111.3	136.5	130.0
1965 - March	133.1	115.8	165.3	112.5	137.3	130.9
June	135.9	116.3	167.2	112.9	137.3	132.1
September	139.3	116.3	168.6	113.4	137.8	133.5
December	139.5	116.6	171.4	113.7	142.7	135.2

The Australian Wholesale Price Index for basic materials and foodstuffs (average of the three years ended June, 1939 = 100) rose from a trough of 351 in November, 1964 to 376 in August, 1965 and then fell to 364 in November and December. These movements largely reflect fluctuations in the foodstuff and tobacco series (which has a weight of 56% in the combined index); this series had risen sharply earlier in 1965, from 360 in February to 400 in August, and then receded towards the end of the year (373 in December), and this in turn seems to have been partly due to fluctuations in meat prices. Between December, 1964 and 1965, the index rose by 3.4 per cent. - 3.9 per cent. for food and tobacco and 2.9 per cent. for basic materials of which rubber and hides and chemical prices increased fastest.

WHOLESALE PRICE INDEX - Australia - Base 1936-37 to 1938-39 = 100

MONTH	Metals and Coal	Building Materials	Oils, Fats, Waxes	Chemicals	Textiles	Rubber and Hides	All Basic Materials	Food, Tobacco	Total		TOTAL ALL Groups
									Import	Home Prod.	
Index Weight	17	10	8	4	3	2	44	56	23	77	100
August 1960	401	439	225	329	366	365	347	392	280	410	372
1961	393	439	211	333	385	297	339	322	272	354	330
1964	383	505	207	285	441	246	344	358	278	382	351
August 1965	392	508	208	288	406	237	347	400	275	419	376
1965	388	508	219	326	434	292	355	373	281	399	364
1965	388	505	219	326	436	301	354	373	280	400	364

The Australian Export Price Index (1959-60 = 100) fell from a peak of 120 in March, 1964 to 100 in June, 1965 and then partially recovered to 108 in December. This largely reflects the trend in wool prices which have a weight of 51 out of 100 in the index. The series for meats, cereals, dried and canned fruits and hides showed small increases during 1965; the series for metals and coal recovered in the second half of the year from a fall in the first half, while sugar prices fell after a temporary recovery and prices for dairy products tended downward throughout the year.

EXPORT PRICE INDEX - Australia - Base Year 1959-60 = 100

Month	Wool	Meats	Dairy Produce	Cereals	Dried/Canned Fruits	Sugar	Hides, Tallow	Metals, Coal	Gold	ALL GROUPS
x Weight	51	10	6½	12½	2½	4	1	10½	2	100
- June	99	97	86	112	92	87	78	90	100	98
- June	115	102	93	103	89	165	68	95	100	109
- March	130	106	91	109	98	192	74	103	100	120
- Dec.	101	111	95	104	100	94	90	126	101	104
- June	96	110	91	104	100	91	99	117	101	100
- Sept.	99	116	89	105	101	100	101	118	101	103
- Dec.	108	117	87	107	102	82	100	122	100	108

The index of Australia's Terms of Trade, based on the ratio of export to import prices (base 1959-60 = 100) reached a peak of 111 for 1963-64 when the export price index was at a relatively high level and then declined to 101 for 1964-65 and 96 in the June quarter of 1965 under the impact of a fall in the export price index to near the base level. A subsequent recovery in the export prices brought the terms of trade index back to 101 by October.

	Export Price Index	Import Price Index	"Terms of Trade"
Base year 1959-60	100	100	100
1960-61	95	101	94
1962-63	101	101	100
1963-64	114	103	111
1964-65 (Preliminary)	105	104	101
1965 March Qtr. "	102	104	98
June Qtr. "	100	105	96
Sept. Qtr. "	102	106	97
Oct. "	106	105	101

RETAIL TRADE (See also graph p.18)

Compared with the corresponding periods of the previous year the rate of increase in the value of Australian retail sales (excluding motor vehicles, parts and petrol) eased from 7 per cent. in the year 1964-65 to 5 and 4 per cent. in the September and December quarters of 1965.

Statistics issued by the Retail Traders Association of N.S.W. point to a slackening in trade in Sydney City stores, where turnovers in December, 1965 were only ½ per cent. more than in 1964 while they dropped by 5 per cent. between January, 1965 and 1966. This reflects partly a shift to suburban trading but the upward trend in sales there has also moderated.

LUE OF RETAIL SALES - Per cent. Rise as compared with corresponding periods of previous year

		1 9 6 5										
		Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
es (excl. motor group) N.S.W.			ø5.7			ø5.8			ø4.6			n.y.a.
Australia		4.0	11.3	9.3	4.3	6.8	5.0	5.2	5.6	1.6	4.8	4.2
ail Traders Assoc'n.Sydney City		-2.9	6.5	0.9	-4.8	6.6	3.7	2.4	6.6	-1.4	5.1	0.5
Suburbs		4.5	10.6	7.5	4.7	11.4	10.3	7.0	9.8	3.8	9.3	5.5
Newcastle		-4.8	13.2	6.4	6.1	2.1	4.0	-5.3	-2.2	-1.9	1.1	-1.9

ø Quarter

FINANCE COMPANIES - AUSTRALIA

This is a new statistical series showing details of the main types of lending by companies which are engaged mainly in providing credit facilities to other sectors of the economy. Details of definition are given in the Bulletin on Finance Companies, July, 1964 and October, 1965. Some major points are the exclusion of finance companies which also engage in other activities and finance mainly their own sales or who, as members of a group, are related companies, mainly finance the operations of related companies. Also excluded are financial institutions such as banks, insurance companies, pension and similar funds, trusts, short term money market dealers, building societies; as well as unincorporated financiers and small finance companies. Agreements are classified broadly according to type of contract. The amount financed is the actual amount of cash provided and excludes initial deposit, interest and other charges. In recording balances outstanding, contracts which include charges are separated from those which exclude charges.

The amount financed by these companies in New South Wales in the five months ended November, 1965 was \$325m., (or 6 per cent. more than in the corresponding period of 1965). This 31% was used to finance instalment credit for retail sales, about 25% each for wholesale hire purchase and for commercial loans, 10% for mortgage loans on real estate, and the remainder for factoring (loans on the security of trade debts, etc.) and personal loans.

Balances outstanding to finance companies in New South Wales at the end of November 1965 totalled \$617m. for contracts that included charges (about two thirds of this for retail instalment credit) and \$162m. for contracts that excluded charges (mainly commercial loans). The latter type expanded faster than the contracts which include charges during the previous twelve months. Corresponding outstandings for Australia in November 1965 were \$1,498m. and \$352m.

FINANCE COMPANIES - \$ million

Type of Contract	AMOUNT FINANCED		BALANCES OUTSTANDING		at End of Period	
	during Period		(1) Incl. Charges		(2) Excl. Charges	
	N.S.W.x	Australia	N.S.W.x	Australia	N.S.W.x	Australia
<u>July - November 1965</u>						
Instalment Credit for						
Retail Sales	100.1	265.9	376.7	1,001.0
Wholesale Hire Purchase	81.1	207.5	26.0	68.9
Factoring	16.0	39.1	0.8	4.2	12.9	25.9
Other Consumer & Commercial						
loans: Personal Loans	10.8	28.9	} 239.6	} 492.4	} 122.8	} 257.1
Mortgage Loans	35.0	81.3				
Commercial Loans	82.7	122.1				
Total: July/November 1965	325.4	744.8	617.2	1,497.6	161.8	351.8
Total: July/November 1964	306.1	723.3	600.2	1,405.9	137.1	311.9

1) Contracts where charges are included.

(2) Contracts where charges are excluded.

x Includes Australian Capital Territory.

INSTALMENT CREDIT FOR RETAIL SALES

Figures for Amount Financed exclude, but Balances Outstanding include, interest, and carrying charges, insurance, etc.)

The upward trend in the amount of instalment credit financed by non-retail finance companies in New South Wales was not sustained during recent months. The amount financed fell from \$67m. in September quarter, 1965 to \$65m. in December quarter which was also less than in this period of 1964 (\$75m.) or 1963 (\$66m.). Consequently the rate in balances has slowed down considerably, and the total outstanding at the end of November 1965, at \$414m., was only 4 per cent, more than a year earlier as against increases at the rate of 10 per cent. p.a. in 1964 and 1963. Balances outstanding in Australia fell from \$1,089m. in December, 1965 to \$1,088m. in January, 1966 when they were 5 per cent. more than a year earlier.

Comparing the seven months ended January, 1965 and 1966, Government Revenue increased by \$48m. and Expenditure by \$30m. thus turning a deficit of \$13m. to a surplus of \$5m. in the respective periods. The main factor was a change in the method of payment of the Commonwealth Tax Reimbursement Grant whereby monthly payments are now spread evenly throughout the year; this increased receipts on that account from \$108m. in the seven months of 1964-65 to \$149m. in 1965-66. A fall in receipts from stamp and probate duties in the current year was offset by an increase in receipts from other taxes and services. In Government expenditure the main rises occurred in education, health and other social services.

An increase of \$1m. in railway revenue during the 1965-66 period was only one-fifth of the rise in expenses, and this, combined with less favourable results for the bus and harbour services, reduced the surplus on working account for the business undertakings from \$20m. to \$15m. Gross expenditure on works for the seven months rose sharply from \$85m. to \$99m.

NEW SOUTH WALES GOVERNMENT ACCOUNTS - \$ million

R E V E N U E	July - January			EXPENDITURE	July - January		
	1963-64	1964-65	1965-66		1963-64	1964-65	1965-66
Commonwealth General Grant	108.2	107.6	148.6	Net Debt Charges	49.4	52.5	56.4
State Taxation	67.8	77.1	75.9	Education, Health	117.4	134.7	143.7
Other Governmental	46.2	51.1	58.3	Other Departmental	76.6	81.1	92.8
Total Consolidated Revenue	222.2	235.8	282.8	Total of above	243.4	268.4	293.0
Railways	114.6	117.8	118.7	Railways	93.0	100.1	104.5
Omnibuses	14.4	14.0	13.7	Omnibuses	15.4	15.4	16.0
Harbour Services	9.0	9.7	10.0	Harbour Services	5.4	6.5	7.0
Total Business	138.0	141.6	142.4	Total Business	113.8	122.0	127.5
TOTAL REVENUE	360.2	377.4	425.2	TOTAL EXPENDITURE	357.2	390.4	420.5
GROSS LOAN EXPENDITURE ON WORKS					67.6	85.4	98.5

SYDNEY STOCK EXCHANGE

Share prices in Sydney (Sydney Stock Exchange Index for all ordinary shares) tended downward in the first eight months of 1965 but then began to recover so that by February, 1966 they were back to the level of March of last year. Recent upward trends remained subject to fluctuations, and prices suffered a decline in the second half of February.

SYDNEY STOCK EXCHANGE - Share Price Index for "All Ordinaries" - 1957-58 = 100

	Y e a r			1 9 6 5					1 9 6 6	
	1962-63	1963-64	1964-65	March	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Peak of Period	157	186	185	168	156	157	158	158	160	163
Low of Period	142	158	148	158	149	150	154	154	159	158
Daily Average	148	176	171	161	152	153	156	155	160	161

PART III : RURAL INDUSTRIES

THE SEASON - New South Wales (see also graph p. 18)

Following relatively good falls during December, rainfall in January was again well below normal throughout the State. Hot dry winds and lack of rain have caused progressive deterioration in crops, pastures, stock and water supplies. At the end of February, 26 out of the 59 Pastoral Protection Districts were declared drought areas.

According to interim figures received by the N.S.W. State Parliamentary Committee on Drought, 4 million sheep and 132,000 cattle have died during the recent drought. In addition to these losses, about 3 million sheep and about 200,000 cattle have been sold for slaughter from drought stricken areas in the State. The drought is worst in the far north-west of N.S.W., the North-West Slopes and Plains, the New England tablelands and the Mid-North Coast.

RAINFALL INDEX - New South Wales, "Normal Rainfall" for each Period = 100

	S H E E P DISTRICTS					W H E A T DISTRICTS				COASTAL DAIRYING			
	N	C	S	W	Total	N	C	S	Total	N	C	S	Total
65: July	77	52	53	44	58	29	54	56	52	263	118	48	197
August	69	81	150	120	104	72	90	148	123	115	41	80	91
September	80	87	83	58	81	89	77	80	81	56	66	66	60
October	86	185	141	81	131	92	190	129	143	75	175	253	123
November	53	50	120	48	74	57	64	124	100	76	53	50	67
December	177	168	149	138	161	164	184	168	171	186	118	86	156
66: January	26	26	39	60	34	20	27	37	32	16	35	36	24

Wheat harvesting has been virtually completed in the State, and preliminary estimates put the State crop of 1965-66 at 39m. bushels which is about a quarter of the 1964-65 record of 151 m. bushels. The area sown in 1965-66 (4m. acres) was the lowest since 1959-60 and the yield of 9.8 bushels per acre the lowest since 1957-58 (when only 11m. bushels were harvested). Drought conditions in 1965-66 also reduced crops in Victoria, Queensland and South Australia, though not as much as in New South Wales, and only Western Australia achieved a major expansion in production. The estimated Australian total of 250m. bushels for 1965-66 was one third below last year's record crop of 369m. bushels; it was the lowest since 1961-62 but still compares well with the results achieved before 1960-61 when the Australian crop rarely exceeded 200 m. bushels.

WHEAT FOR GRAIN : AREA, PRODUCTION AND YIELD PER ACRE

Season	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	A.C.T.	Aust.
AREA SOWN ('000 acres)								
1963-64	4,964	3,109	938	2,802	4,640	18	3	16,474
1964-65	5,760	3,236	1,026	2,727	5,151	17	2	17,919
1965-66 (a)	4,000	3,200	800	2,700	6,000	15	2	16,717
PRODUCTION ('000 bushels)								
1963-64	122,472	76,302	22,275	53,971	52,340	483	69	327,912
1964-65	151,483	78,166	22,830	52,817	63,071	364	58	368,789
1965-66 (a)	39,000	59,000	14,000	40,000	98,000	400	40	250,440
YIELD PER ACRE (bushels)								
1963-64	24.7	24.5	23.8	19.3	11.3	27.5	24.6	19.9
1964-65	26.3	24.2	22.3	19.4	12.2	21.7	27.6	20.6
1965-66 (a)	9.8	18.4	17.5	14.8	16.3	26.7	20.0	15.0

(a) Preliminary estimate

DAIRYING - New South Wales

Dairy production during the seven months ended January fell from 209 million gallons in 1963-64 to 199 million in 1964-65 and 198 million in 1965-66 which was the lowest level for five years. Because of reduced supplies this season less milk was used for the manufacture of butter and cheese but the intake by the Milk Board (for fresh milk purposes) and for other processing continues to increase.

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First hand deliveries of wool into New South Wales stores (excluding Albury) during the seven months ended January dropped by 19½ per cent. to 914,000 bales in 1965-66 which was the lowest level for many years as a result of the recent drought. However, a trend towards a larger proportion of the seasons clip being delivered later in the year has been evident for recent years. Because of the larger carryover held in the current season, total receipts (during the seven months) fell by 17 per cent. to 1,026,000 bales in 1965-66. Of this 785,000 bales were sold (also 17 per cent. less than for this period of last season and the lowest for many years) and the unsold balance in store at the end of January fell from 290,000 to 241,000 bales. Sale proceeds for the seven months declined because of the reduction in quantity and lower prices prevailing early in the season from \$145m. to \$114m.

W O O L S T O R E S - Sydney, Newcastle and Goulburn - July to January

	1960-61	61-62	62-63	63-64	64-65	65-66
First-Hand Deliveries 000 Bales	1174	1142	1103	1161	1135	914
Percent. of Year 's Total	77%	75%	73%	72%	72%	
Total Receipts (incl. Carryover) 000 Bales	1270	1210	1183	1244	1231	1026
Disposals	935	928	957	1003	941	785
Balance in Store at End of January "	335	282	226	241	290	241
Value of Sales in Seven Months \$ million	117	129	140	182	145	114

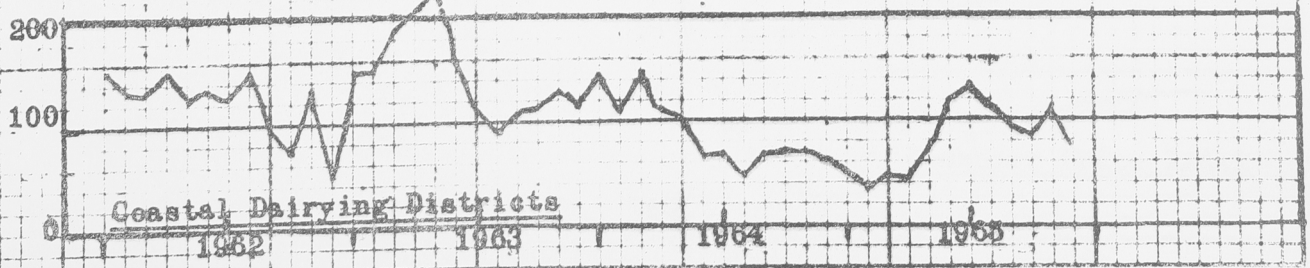
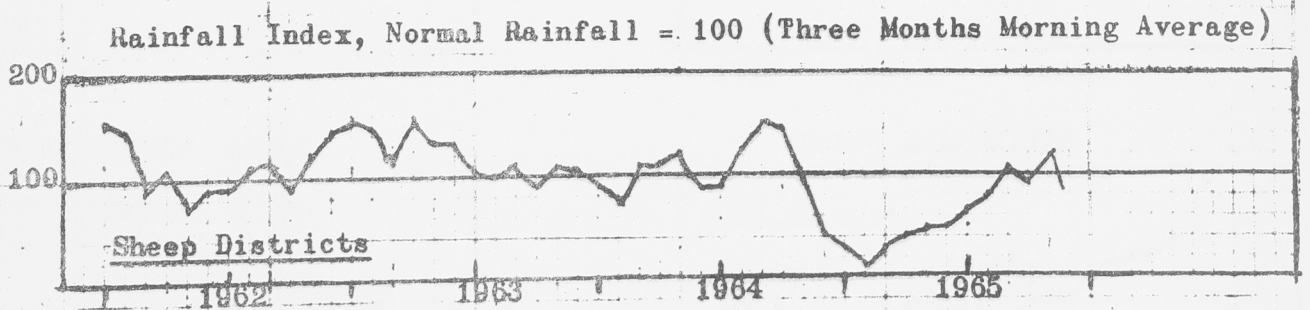
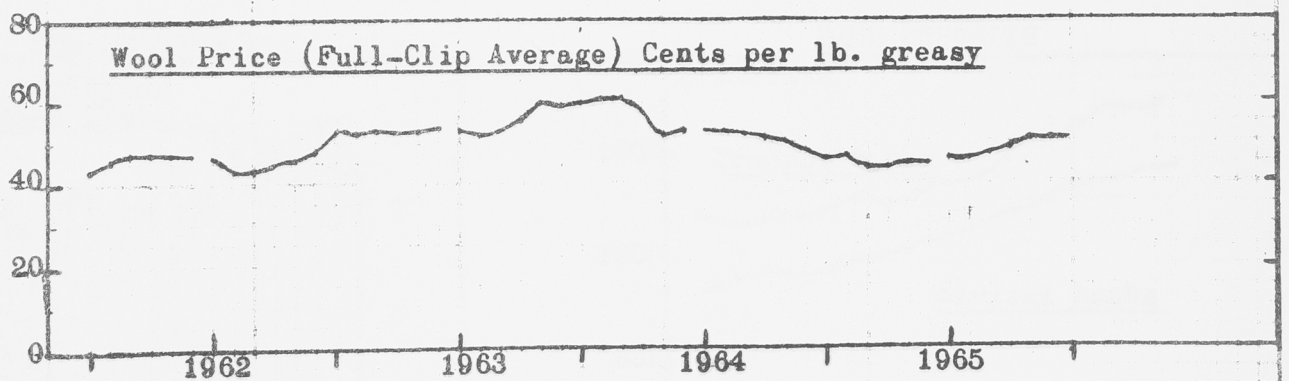
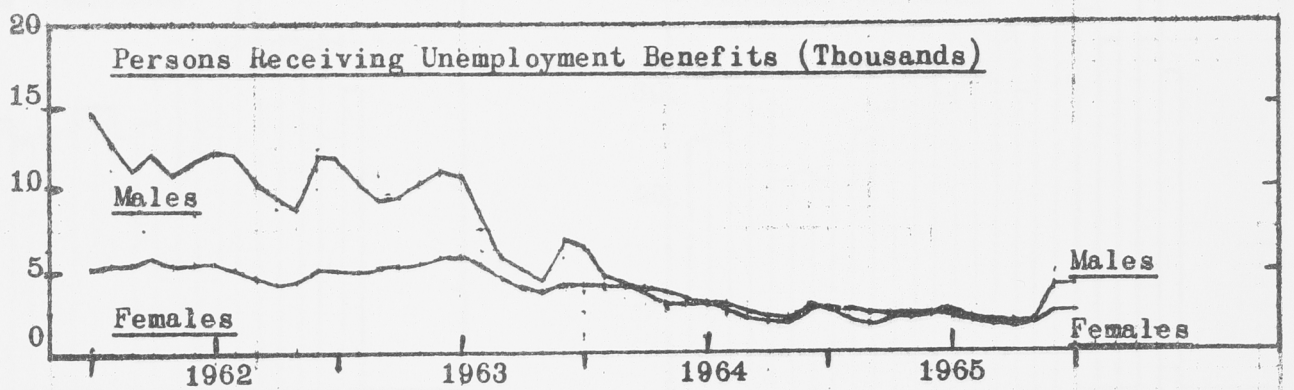
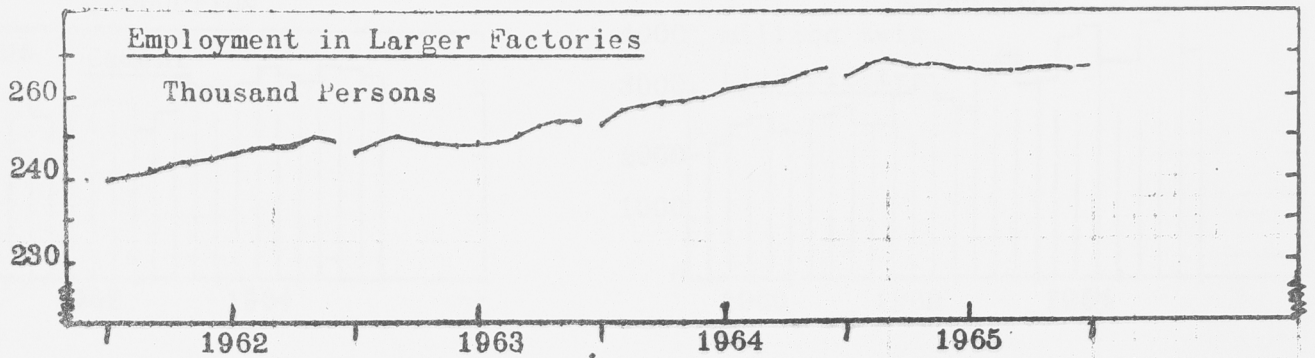
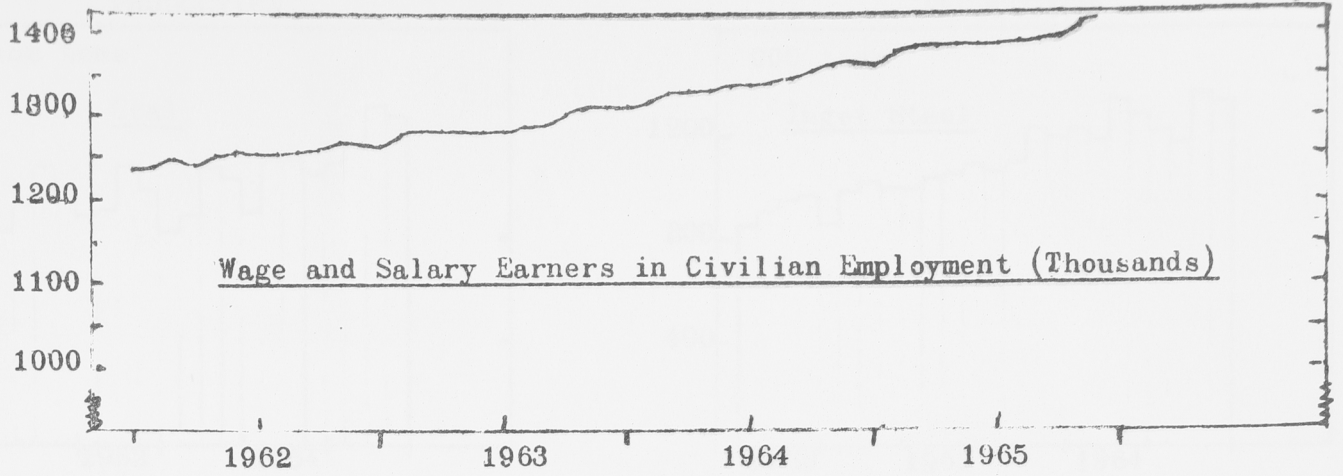
The average price per pound (in cents) of greasy wool sold at N.S.W. auctions (based on the average composition of a full year's clip as shown in the table below) fell from a peak of 61 cents in February and March, 1964 to a low of 44 cents in March and April, 1965 and then rose gradually to 51 cents for November and remained at this level for December and January.

WOOL PRICE, NSW, cents per lb. greasy - Monthly Index based on Composition of Year's Clip

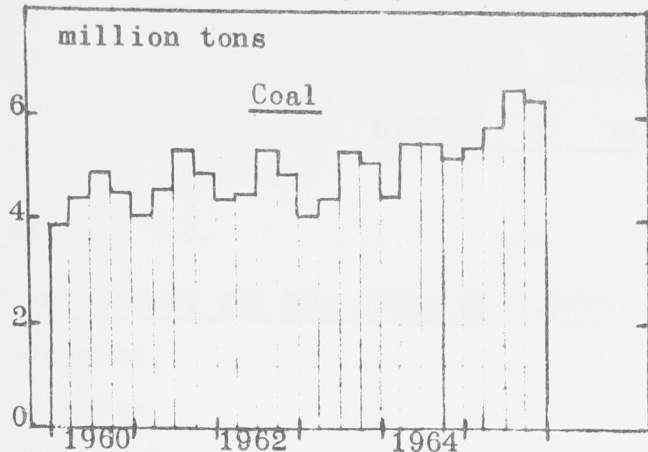
Season	September	October	November	December	January	May	June	Season
1956-57	62	61	64	65	66	69	66	67.1
1961-62	46	44	43	43	43	47	47	45.1
1962-63	43	45	46	48	53	53	54	48.6
1963-64	53	55	60	59	60	52	53	56.7
1964-65	52	51	50	48	46	45	45	48.0
1965-66	47	49	51	51	51			

Wool deliveries into Australian stores for the seven months ended January at 3.7 mill.bales in 1965-66 were 7 per cent. less than in 1964-65 (10 per cent. less in the case of first-hand deliveries) and the lowest for many years. The fall was confined to the Eastern States which supply most of the clip and which have been worst hit by the drought. Sales in the 1965-66 period fell by 6 per cent. and the average price by 3 per cent. (from 51 to 49 cents per lb. greasy), so that sales proceeds were reduced from \$435m. in the 1964-65 period to \$395m. in 1965-66 which is the lowest for the seven months since 1960-61.

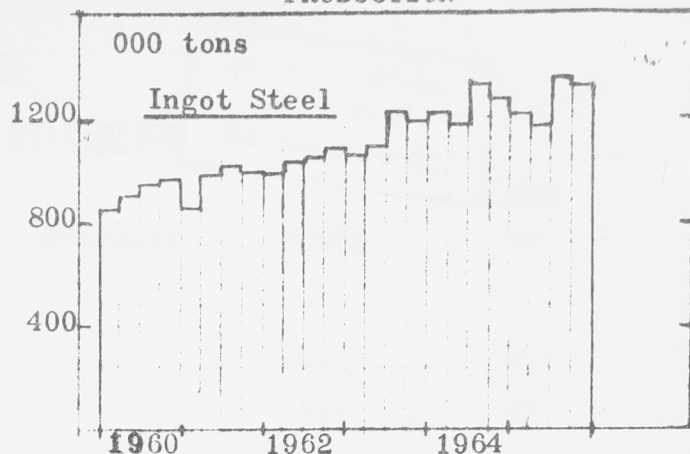
W o o l - AUSTRALIA - Seven Months ended January		1961	1963	1964	1965	1966
Received by Brokers	000 Bales	3,875	3,740	3,905	3,974	3,689
Sold by Brokers	000 Bales	2,775	2,938	3,030	2,820	2,645
Total Value of Sales	\$ million	353	425	549	435	395
Average Value per bale of greasy wool	\$	128	144	182	154	150
Average Weight per bale of greasy wool	lbs.	304	305	308	303	304
Average Value per lb. of greasy wool	cents	42	47	59	51	49



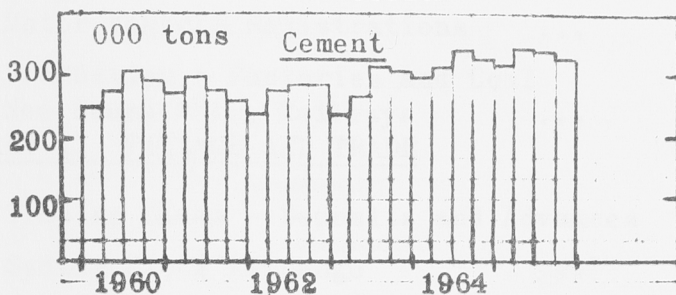
PRODUCTION



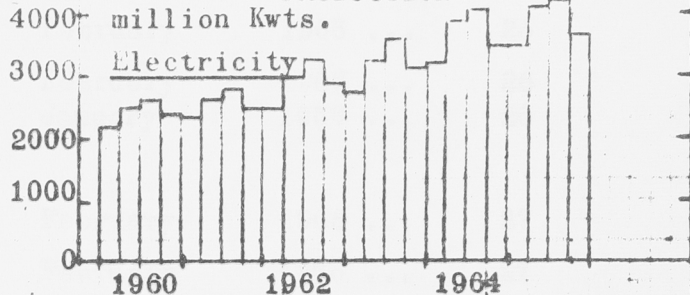
PRODUCTION



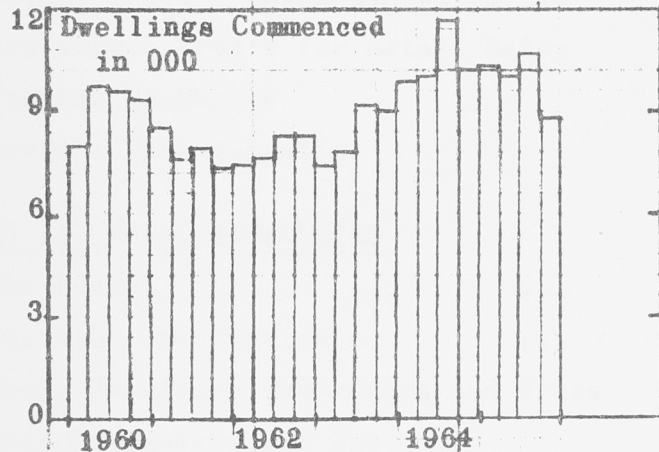
PRODUCTION



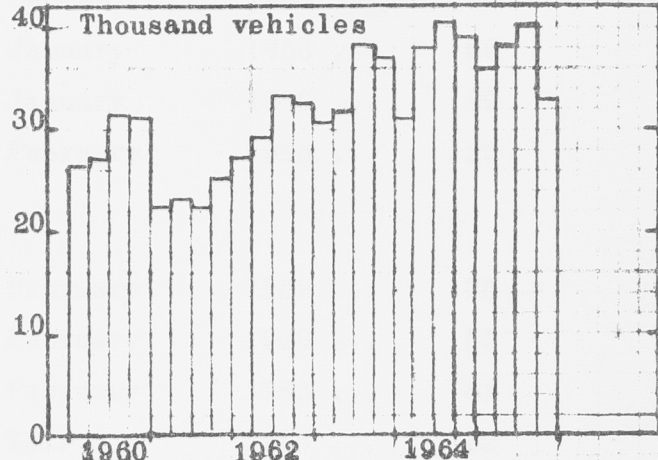
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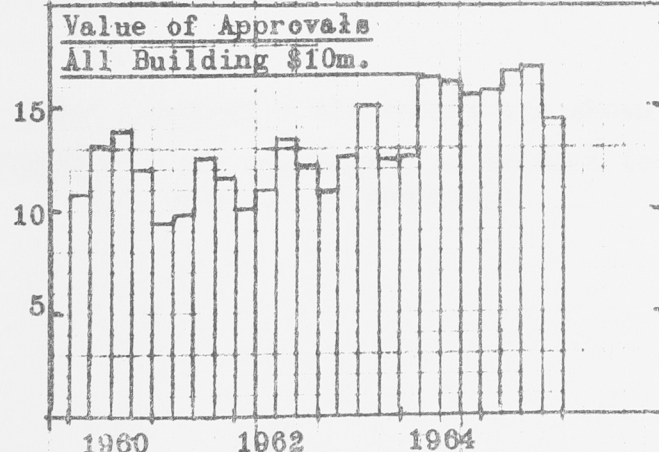
NEW BUILDING



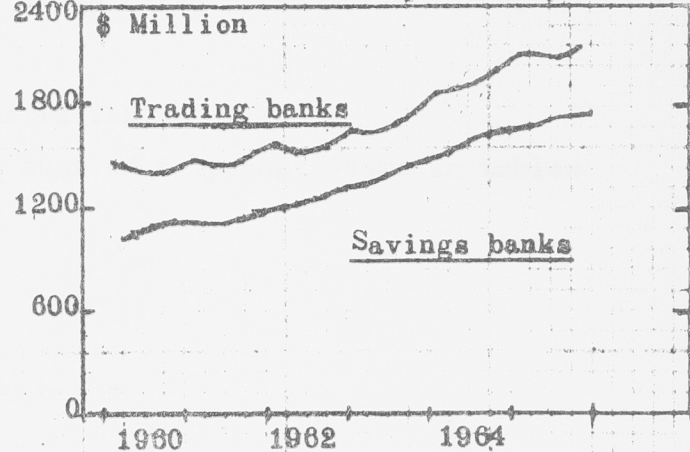
NEW MOTOR VEHICLE REGISTRATIONS



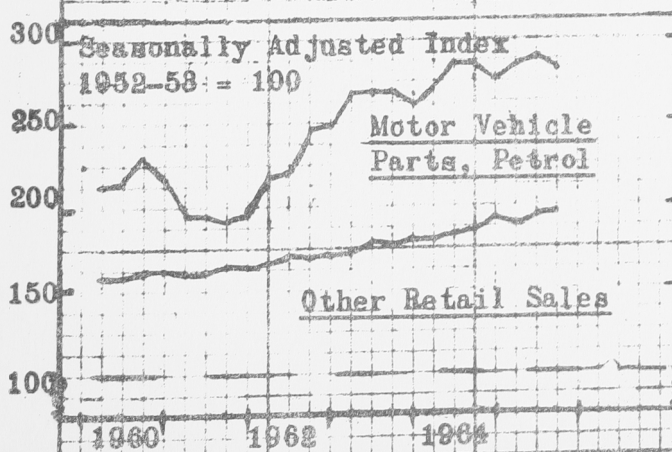
NEW BUILDINGS



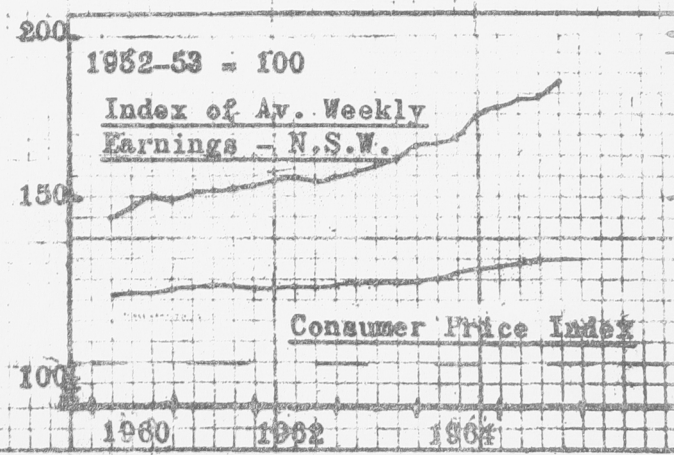
BANK DEPOSITS



VALUE OF RETAIL SALES



PRICES & EARNINGS



Series commence in March Quarter, 1960 and extend to December Quarter, 1965